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**AGENCY OVERVIEW****709 Council on the Arts**

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**Date:** 01/13/2011**Time:** 10:44:31**Statutory Authority**

North Dakota Century Code 54-54.

**Agency Description**

The North Dakota Council on the Arts (NDCA) was established by state statute in 1967. Its board is comprised of nine citizens appointed by the Governor to serve five-year terms. The First Lady is an ex-officio member of the board. The purpose of the Council is to establish policies, programs, and partnerships to encourage the study and presentation of the performing and fine arts and to encourage public interest in the cultural heritage of our state. The Council functions as a community partner and a catalyst for artists and organizations. The Council regrants National Endowment for the Arts funds and state appropriated funds to North Dakota communities, schools, individuals, and organizations through its various grant programs. It offers educational opportunities and technical advice, collects and disseminates arts information, and acts as the state's foremost arts advocate.

**Agency Mission Statement**

The North Dakota Council on the Arts promotes, preserves, and perpetuates the arts in North Dakota.

**Agency Performance Measures**

The performance measurements that will be used by the NDCA includes tracking the:

1. number of grant applications received in each grant cycle.
2. number of dollars each grant dollar generates as stated in grantee's final reports.
3. numbers benefitting from each grant program with a subset of a) children, b) artists.
4. number of grant dollars given by the NDCA.
5. final reports to determine any underserved areas of the state & any increase in counties served.
6. number of phone and e-mail inquiries by zip code responded to by NDCA staff with comparison to #5.
7. increases in number of newsletter subscriptions(both hard copy and e-news).

**Major Accomplishments**

1. Converted all but one grant program to an online application and submission process, leading to greater efficiency and savings for both NDCA staff and their grantees.
2. Created a mentoring network and classroom training program for teaching artists and educators. The program is now serving as a model for other states and is widely acclaimed.
3. Partnered with Prairie Public Broadcasting on numerous documentaries and special programs featuring North Dakota artists.
4. Added two more communities in the Art for Life program. This consortium now involves three art councils and two cultural organizations in Jamestown, Pekin, Langdon, New Town, and New Rockford. They partner with their community's nursing home or long-term care facility bringing arts activities to the residents.
5. Published a book "Sundogs and Sunflowers: Folklore and Folk Art of the Northern Great Plains." This book is a ground-breaking compilation covering more than thirty years, 1977-2010, and celebrates the proud folk heritage of the region.
6. Assisted in the statewide implementation of CulturePulse.org, an online promotional tool for arts and cultural organizations, as well as individual artists.

**Future Critical Issues**

Along with the state of North Dakota, the National Endowment for the Arts (NEA), a federal agency, has historically been a major funding source for the agency. NEA funding to the North Dakota Council on the Arts has remained constant for the past three bienniums, with increases in both FY10 and FY11. The NEA funding level is expected to remain stable during the 2011-2013 biennium. The possibility always exists that Congressional action will decrease funding although it doesn't appear there will be any major cuts at this time. Keeping the NDCA funding levels at a pace with inflation is one of the greatest difficulties the NDCA encounters when there are decreases or level funding.

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Rural organizations especially look to the ND Council on the Arts Community Services programs to maintain programs that enhance the quality of life in their communities. There has been increased interest in the arts by rural communities as a means of strengthening their economies. Grants through the Council's Institutional Support programs assist many organizations in large and small communities in leveraging funds at the local level. The state's economic future is affected by the location preferences of highly mobile knowledge-workers who value quality of place. In researching what makes a liveable community one of the four primary factors listed by residents is a vibrant music and arts scene. North Dakota must work diligently to promote the arts in order to retain its current residents and to continue to succeed in attracting individuals from outside the state.

The value of arts in education is broadly recognized as a means of providing effective learning opportunities that will yield increased academic performance, reduced absenteeism, and provide better skill building. It is critical that the Council continue to advocate and provide opportunities for children and teachers to participate in arts education. The amount and quality of art instruction offered in North Dakota communities would diminish greatly without the Council's continued Artist in Residence programs and support for arts integration in daily classrooms. Arts education continues to be one of the Council's strongest outreach programs. As economist Richard Florida has stated "schools need to be vehicles for enhancing and mobilizing the creative capabilities of all our children, so that the tinkering of today can be translated into the creative advancement of tomorrow.

In light of North Dakota's aging population, it is critical that the rich heritage of cultural and traditional artforms be preserved and cultivated so that they live on for future generations to participate in and appreciate. Many of these rare traditions and art forms rest in the hands of aging master artists. These traditional art forms also have the added potential to offer economic development opportunities to individual artists and communities. The NDCA traditional arts apprenticeship program is consistently one of the best in the nation and continues the art traditions of our Native American artisans, homesteaders, and immigrants to our state. We must have apprentices that can learn and master these traditional skills before they are lost forever.

When finances become an issue the arts are often one of the first programs to suffer. The perception that the arts are dispensible and merely "entertainment" is unfortunate. The arts bring vibrancy to our homes, our communities, our schools, and most of all to our daily lives. A big challenge to arts organizations in the future will be maintaining programs for older adults while meeting the needs of a younger, multi-tasking population. North Dakota is a state with few foundations, especially those that focus on the arts and cultural sector. This makes it extremely difficult to obtain grants and foundation support that organizations in many other states rely on.

With the job market in North Dakota booming, where do we find qualified and engaged individuals to replace staff reaching retirement age? As a small agency each staff member has a tremendous amount of duties. The Council works with people from many different segments of society and staff must have the educational and social skills to manage people, grant programs, and finances skillfully. We see this as an issue for not only the Council, but the numerous cultural organizations throughout the state. Finding young leadership will be a very challenging issue.

**REQUEST SUMMARY**

709 Council on the Arts

Biennium: 2011-2013

Bill#: HB1010

Date: 01/13/2011

Time: 10:44:31

Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Budget Request
<b>By Major Program</b>					
Council on the Arts	2,454,918	3,313,249	(133,400)	3,179,849	(4,750)
<b>Total Major Program</b>	<b>2,454,918</b>	<b>3,313,249</b>	<b>(133,400)</b>	<b>3,179,849</b>	<b>(4,750)</b>
<b>By Line Item</b>					
Salaries and Wages	617,697	692,447	10,520	702,967	0
Operating Expenses	227,193	292,045	3,530	295,575	(16,000)
Grants	1,610,028	2,038,757	142,550	2,181,307	11,250
Federal Stimulus Funds - 2009	0	290,000	(290,000)	0	0
<b>Total Line Items</b>	<b>2,454,918</b>	<b>3,313,249</b>	<b>(133,400)</b>	<b>3,179,849</b>	<b>(4,750)</b>
<b>By Funding Source</b>					
General Fund	1,140,756	1,368,734	(43,744)	1,324,990	(4,750)
Federal Funds	1,300,320	1,881,000	(89,656)	1,791,344	0
Special Funds	13,842	63,515	0	63,515	0
<b>Total Funding Source</b>	<b>2,454,918</b>	<b>3,313,249</b>	<b>(133,400)</b>	<b>3,179,849</b>	<b>(4,750)</b>
<b>Total FTE</b>	<b>5.00</b>	<b>5.00</b>	<b>0.00</b>	<b>5.00</b>	<b>0.00</b>

**REQUEST DETAIL**

709 Council on the Arts

Biennium: 2011-2013

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Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Budget Request
<b>Salaries and Wages</b>					
Salaries - Permanent	449,143	485,000	7,960	492,960	0
Temporary Salaries	10,872	25,000	(1,960)	23,040	0
Fringe Benefits	157,682	182,447	4,520	186,967	0
<b>Total</b>	<b>617,697</b>	<b>692,447</b>	<b>10,520</b>	<b>702,967</b>	<b>0</b>
<b>Salaries and Wages</b>					
General Fund	592,698	667,447	10,176	677,623	0
Federal Funds	24,999	25,000	344	25,344	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>617,697</b>	<b>692,447</b>	<b>10,520</b>	<b>702,967</b>	<b>0</b>
<b>Operating Expenses</b>					
Travel	52,651	70,501	0	70,501	0
Supplies - IT Software	2,166	3,800	0	3,800	0
Supply/Material-Professional	460	1,700	0	1,700	0
Miscellaneous Supplies	197	1,600	0	1,600	0
Office Supplies	4,608	5,201	0	5,201	0
Postage	9,500	9,501	0	9,501	(1,000)
Printing	7,923	10,000	0	10,000	(2,000)
IT Equip Under \$5,000	3,667	2,000	4,000	6,000	0
Other Equip Under \$5,000	1,121	285	0	285	0
Office Equip & Furn Supplies	400	2,774	0	2,774	0
Insurance	1,388	1,500	0	1,500	0
Rentals/Leases-Equip & Other	0	101	0	101	0
Rentals/Leases - Bldg/Land	37,061	38,637	1,261	39,898	0
Repairs	1,352	1,500	0	1,500	0
IT - Data Processing	13,042	16,324	0	16,324	0
IT - Communications	7,825	8,501	0	8,501	0
IT Contractual Svcs and Rprs	8,895	7,000	0	7,000	0
Professional Development	49,197	55,120	0	55,120	0
Operating Fees and Services	9,841	13,000	(1,731)	11,269	(3,000)
Fees - Professional Services	15,899	43,000	0	43,000	(10,000)
<b>Total</b>	<b>227,193</b>	<b>292,045</b>	<b>3,530</b>	<b>295,575</b>	<b>(16,000)</b>
<b>Operating Expenses</b>					
General Fund	109,044	124,227	3,530	127,757	(16,000)
Federal Funds	104,307	124,303	0	124,303	0
Special Funds	13,842	43,515	0	43,515	0

**REQUEST DETAIL**

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Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Budget Request
<b>Total</b>	<b>227,193</b>	<b>292,045</b>	<b>3,530</b>	<b>295,575</b>	<b>(16,000)</b>
<b>Grants</b>					
Grants, Benefits & Claims	1,610,028	2,038,757	142,550	2,181,307	11,250
<b>Total</b>	<b>1,610,028</b>	<b>2,038,757</b>	<b>142,550</b>	<b>2,181,307</b>	<b>11,250</b>
<b>Grants</b>					
General Fund	439,014	577,060	(57,450)	519,610	11,250
Federal Funds	1,171,014	1,441,697	200,000	1,641,697	0
Special Funds	0	20,000	0	20,000	0
<b>Total</b>	<b>1,610,028</b>	<b>2,038,757</b>	<b>142,550</b>	<b>2,181,307</b>	<b>11,250</b>
<b>Federal Stimulus Funds - 2009</b>					
Temporary Salaries	0	317	(317)	0	0
Fringe Benefits	0	25	(25)	0	0
Travel	0	1,018	(1,018)	0	0
Office Supplies	0	102	(102)	0	0
Postage	0	232	(232)	0	0
IT - Data Processing	0	208	(208)	0	0
IT - Communications	0	123	(123)	0	0
Operating Fees and Services	0	119	(119)	0	0
Fees - Professional Services	0	90	(90)	0	0
Grants, Benefits & Claims	0	287,766	(287,766)	0	0
<b>Total</b>	<b>0</b>	<b>290,000</b>	<b>(290,000)</b>	<b>0</b>	<b>0</b>
<b>Federal Stimulus Funds - 2009</b>					
General Fund	0	0	0	0	0
Federal Funds	0	290,000	(290,000)	0	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>290,000</b>	<b>(290,000)</b>	<b>0</b>	<b>0</b>
<b>Funding Sources</b>					
General Fund	1,140,756	1,368,734	(43,744)	1,324,990	(4,750)
Federal Funds	1,300,320	1,881,000	(89,656)	1,791,344	0
Special Funds	13,842	63,515	0	63,515	0
<b>Total Funding Sources</b>	<b>2,454,918</b>	<b>3,313,249</b>	<b>(133,400)</b>	<b>3,179,849</b>	<b>(4,750)</b>

**CHANGE PACKAGE SUMMARY**

709 Council on the Arts

Biennium: 2011-2013

Bill#: HB1010

Date: 01/13/2011

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Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
<b><u>Base Budget Changes</u></b>						
<b>One Time Budget Changes</b>						
A-E 5 Federal Stimulus Grant		0.00	0	(289,658)	0	(289,658)
A-E 6 Institutional Support Plains Art		0.00	(57,450)	0	0	(57,450)
<b>Total One Time Budget Changes</b>		<b>0.00</b>	<b>(57,450)</b>	<b>(289,658)</b>	<b>0</b>	<b>(347,108)</b>
<b>Ongoing Budget Changes</b>						
A-A 2 Increase in federal grants line		0.00	0	200,000	0	200,000
A-A 3 Increase in operating expense		0.00	5,261	0	0	5,261
A-A 4 Reduction of operating expense		0.00	(1,731)	0	0	(1,731)
Base Payroll Change		0.00	10,176	2	0	10,178
<b>Total Ongoing Budget Changes</b>		<b>0.00</b>	<b>13,706</b>	<b>200,002</b>	<b>0</b>	<b>213,708</b>
<b>Total Base Budget Changes</b>		<b>0.00</b>	<b>(43,744)</b>	<b>(89,656)</b>	<b>0</b>	<b>(133,400)</b>
<b><u>Optional Budget Changes</u></b>						
<b>Ongoing Optional Changes</b>						
A-C 1 Art for Life Program increase	1	0.00	20,000	0	0	20,000
A-C 4 Community Services	2	0.00	15,000	0	0	15,000
<b>Total Ongoing Optional Changes</b>		<b>0.00</b>	<b>35,000</b>	<b>0</b>	<b>0</b>	<b>35,000</b>
<b>Total Optional Budget Changes</b>		<b>0.00</b>	<b>35,000</b>	<b>0</b>	<b>0</b>	<b>35,000</b>
<b><u>Optional Savings Changes</u></b>						
A-G 7 3% budget reduction	1	0.00	(39,750)	0	0	(39,750)
<b>Total Optional Savings Changes</b>		<b>0.00</b>	<b>(39,750)</b>	<b>0</b>	<b>0</b>	<b>(39,750)</b>

**BUDGET CHANGES NARRATIVE****709 Council on the Arts****Bill#: HB1010****Date:** 01/13/2011**Time:** 10:44:31

<b>Change Group:</b> A	<b>Change Type:</b> A	<b>Change No:</b> 2	<b>Priority:</b>
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Increase in federal grants line

There is a possibility of an increase in the amount of the Basic State Partnership Grant from the National Endowment for the Arts. This change package would allow acceptance of an increase from the federal government.

<b>Change Group:</b> A	<b>Change Type:</b> A	<b>Change No:</b> 3	<b>Priority:</b>
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Increase in operating expense

The increases in the operating expense are due to the increase in the office lease rent from the Workforce Safety and Insurance agency of \$1.00 per square foot and for the replacement of two laptops and upgraded software.

<b>Change Group:</b> A	<b>Change Type:</b> A	<b>Change No:</b> 4	<b>Priority:</b>
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Reduction of operating expense

Reduction in the operating line would decrease the Professional Services line as we will have no Institutional Support panels during the upcoming biennium. It also reduces the amount of our operating fees and services in accordance with our current operating expense reports.

<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 1	<b>Priority:</b> 1
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Art for Life Program increase

With this increase the Art for Life Program (a partnership between NDCA, arts organizations and assisted living centers/nursing homes) would increase from five (5) locations to seven (7) over the next biennium. Currently the program is established in Jamestown, Langdon, Nelson County, New Rockford and New Town. Two rural communities would be selected for inclusion in the program based on the interest of the care facility and arts organization in the area.

<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 4	<b>Priority:</b> 2
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Community Services - CulturePulse/touring arts

CulturePulse is an online program established in all four quadrants of the state. It is designed to be used for attracting tourism, for promotion of events, information on venues, and marketing for organizations and artists. New funds will allow increased promotion of the program and statewide use. The touring arts portion of the funds will be used to increase access for rural communities. Major performance groups within the state will do outreach programs in the rural communities, including schools, in an effort to provide cultural experiences for local students and residents.

<b>Change Group:</b> A	<b>Change Type:</b> E	<b>Change No:</b> 5	<b>Priority:</b>
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Federal Stimulus Grant

This change package removes the one-time funding of the Federal Stimulus grant for job preservation grants.

<b>Change Group:</b> A	<b>Change Type:</b> E	<b>Change No:</b> 6	<b>Priority:</b>
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**BUDGET CHANGES NARRATIVE****709 Council on the Arts****Bill#: HB1010****Date:** 01/13/2011**Time:** 10:44:31

Institutional Support Plains Art - removal of Plains Art funding

This change package removes the one-time funding to the Plains Art Museum for their rural arts initiative.

<b>Change Group:</b> A	<b>Change Type:</b> G	<b>Change No:</b> 7	<b>Priority:</b> 1
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3% budget reduction - Governor request

This change package is in keeping with the Governor's request for a 3% decreased budget. The operating reductions are primarily in the professional services line, which was already reduced within the base budget and this reduction puts the NDCA operating budget in the position of having limited ability to contract with consultants for conferences, planning, grants, or any statewide programs. The grant reductions include cutting the Poet Laureate grant initiated in the past biennium by half, reducing our Community Arts Access grants to rural communities by \$5000 and grants in the arts education line by \$3,750.

<b>Change Group:</b> R	<b>Change Type:</b> A	<b>Change No:</b> 10	<b>Priority:</b>
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Art For Life Program Increase

The Art For Life program provides grants to senior centers and long-term care facilities to allow the facilities to contract with professional artists to provide arts instruction to seniors. The program began during the 2007-09 biennium with 3 facilities and was expanded to 5 facilities in the 2009-11 biennium. The program has been very well received and additional facilities have requested funding. This funding will allow the establishment of two additional programs during the 2011-13 biennium.

<b>Change Group:</b> R	<b>Change Type:</b> B	<b>Change No:</b> 20	<b>Priority:</b>
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Culture Pulse Web Marketing Initiative

The Culture Pulse web site ([www.culturepulse.org](http://www.culturepulse.org)) is a statewide arts and cultural events calendar used to advertise and promote events locally, statewide, and regionally. Events, artists, and art venues are listed on the website. The website is a partnership between local arts organizations, Arts ND, and the Council on the Arts. The website was expanded statewide through a grant provided by the Council on the Arts during the 2009-11 biennium. This funding will provide technical support to local arts organization users and provide for a marketing study to determine how best to market and promote the site.